FORM A6796 FEB 94 NSN: 7540-FM-001-5465 DERIVED FROM: NSA/CSSM 123-2 DATED: 24 February 1998 DECLASSIFY ON: X1

D11

SECURITY CLASSIFICATION

IOF SECRET//COMINT//ORGON//NOFORN//XI

27 February 2004

963-2984

DOCID: 4165186 RET//COMINT//ORCON//NO 3N



### NATIONAL SECURITY AGENCY CENTRAL SECURITY SERVICE

FORT GEORGE G. MEADE. MARYLAND 20755-6000

17 March 2004

### MEMORANDUM FOR THE CHAIRMAN, INTELLIGENCE OVERSIGHT BOARD

THRU: Assistant to the Secretary of Defense (Intelligence Oversight)

SUBJECT: (U//<del>FOUO)</del> Report to the Intelligence Oversight Board on NSA

Activities - INFORMATION MEMORANDUM

(U/FOUO) Except as previously reported to you or the President, or otherwise stated in the enclosure, we have no reason to believe that any intelligence activities of the National Security Agency during the quarter ending 31 December 2003, were unlawful or contrary to Executive Order or Presidential Directive, and thus required to be reported pursuant to Section 1.7.(d) of Executive Order 12333.

(U//FOUC) The Inspector General and the General Counsel continue to exercise oversight of Agency activities by means of inspections, surveys, training, review of directives and guidelines, and advice and counsel. These activities and other data requested by the Board or members of the staff of the Assistant to the Secretary of Defense (Intelligence Oversight) are described in the enclosure.

JØEL F. BRENNER

Inspector General

VITO T. POTENZA)
Acting General Counsel

(U//<del>FOUO)</del> I concur in the report of the Inspector General and the General Counsel and hereby make it our combined report.

MICHAEL V. HAYDEN Lieutenant General, USAF Director, NSA/Chief, CSS

Encl: a/s

This Memorandum is Unclassified

DERIVED FROM: NSA/CSSM 123-2 DATED: 24 FEB 98

DECLASSIFY ON: X1

DATED: 24 FEB 98 DECLASSIFY ON: X1

# 1. (U) INSPECTOR GENERAL ACTIVITIES

a. (C//SI) During this quarter, the Office of Inspector General (OIG) reviewed
various intelligence activities of the National Security Agency/Central
Security Service (NSA/CSS) to determine whether they were conducted in
accordance with applicable statutes, Executive Orders (E.O.s), Attorney
General procedures, and DoD and internal directives. With few exceptions,
the issues presented were routine and indicated that the operating elements
understand the restrictions on NSA/CSS estimities (b) (1)
(b) (3) -P.L. 86-36 (b) (3) -50 USC 3024(i)
b. (S//SI) The NSA OIG completed a review of the
The review determined that all had appropriately reported
compliance issues to the NSA OIG. Regarding intelligence oversight (I/O)
training, the had initiated mandatory online training for all personnel,
eliminating the previous separate and cumbersome I/O training processes for
field and headquarters personnel. The on-line training module documents
training completion in a database.
CIT//FOLIONAL and the form the
c. (U// <del>FOUO)</del> Along with inspectors from the
Laboration Allowance And Allowance
, the NSA OIG completed a follow-up
inspection of the I The joint
inspection report notes that the site's web-based I/O refresher training
program was rewritten, eliminating the deficiencies noted during the last
inspection. (b) (3)-P.L. 86-36
d. (U//FOUO) An OIG inspection of the
determined that the organization was compliant with E.O. 12333 and
DoD Regulation 5240.1-R, as well as NSA/CSS Directive 10-30. The Division
conducts annual I/O refresher training and routinely submits compliance
reports to the OIG.
e. (U// <del>EOUO)</del> Inspectors from the and NSA OIG
completed a joint inspection of the Fort Gordon Regional Security Operations
Center (GRSOC), GA. The inspectors concluded that all newcomers to the
DERIVED FROM: NSA/CSSM 123-2

#### TOP SECRET//COMINT//ORCON//NOFORN//X1

site receive I/O training from the Security Services Directorate, GRSOC, during initial security indoctrination; however, the initial I/O training videotape does not address some service-specific requirements. Annual refresher training is conducted via a computer-based module that tests and documents completion in a database. The inspectors tested 22 percent of the personnel at the site to gauge general I/O knowledge and the ability to apply it to site operations. The test results indicate a good understanding of the regulations governing I/O, but a slight weakness in practical application.

## 2. (U) GENERAL COUNSEL ACTIVITIES

(C//SI) The NSA Office of General Counsel (OGC) reviewed various intelligence activities of the NSA/CSS to determine whether they were conducted in accordance with applicable statutes, E.O.s, Attorney General procedures, and DoD and internal directives. The OGC advised Agency elements on a number of questions, including the collection and dissemination of communications of or concerning U.S. persons; the reporting of possible violations of federal criminal law contained in SIGINT product; the testing of electronic equipment; and the applicability of the Foreign Intelligence Surveillance Act (FISA). With few exceptions, the issues presented were routine and indicated that the operating elements understand the restrictions on NSA/CSS activities. The OGC did not file any reports with the Intelligence Oversight Board during this quarter.

## 3. (U) SIGINT ACTIVITIES

## a. (S//SI) Collection Against U.S. Persons

### (1) (U) Intentional <del>(S//SI)</del> During this quarter, the DIRNSA granted approval for consensual collection against persons. DIRNSA-approved consensual collection against U.S. persons was routinely terminated this quarter. (S//SI) The Attorney General (AG) granted authority to collect the communications of U.S. persons during this quarter. (b) (1) (b) (3)-P.L. 86-36 (2) (U) Unintentional a. (TS//SI) The Signals Intelligence Directorate (SID) inappropriately targeted a U.S. person located in from after receiving a copy of an NSA request to the AG to target the (b) (1) 2 (b)(3)-P.L. 86-36 TOP SECRET//COMINT//ORCON//NOFORN//X1 (b) (3)-50 USC 3024(i)

#### TOP SECRET//COMINT//ORCON//NOFORN//X1

individual. The analysts handling the request were unfamiliar with the process for requesting AG authorization, and incorrectly assumed that the signed NSA package, prepared to obtain the authorization, was the final AG approval. Upon recognizing the mistake, SID immediately terminated all targeting and destroyed all intercept. Because collection resulted in no reportable foreign intelligence, no reports were prepared. The OIG is investigating the incident to ascertain the extent of shortcomings in NSA's process for obtaining and implementing AG-authorized collection.

(b)(3)-P.L. 86-36 the SID b<del>. (TS//SI//NF)</del> inadvertently targeted the telephone number of a U.S. person located in After discovering the individual's U.S. person status, the SID discontinued the targeting, but retained significant foreign intelligence obtained during the targeting under the provisions of USSID-18 that permit retention of U.S. person (b)(1)information necessary to maintain technical databases and for traffic (b)(3)-P.L. 86-36 (b) (3) -50 USC 3024 analytic purposes. (b)(3)-18 USC 798 (b)(3)-P.L. 86-36 c<del>. (S//SI)</del> and that the analyst initially believed was associated with the Subsequent research revealed that the Noting that the telephone number had never been detasked from NSA collection the analyst had the number detasked. d. (TS//SI//OC//NF) SID tasked telephone numbers belonging to a Over a period of time, however, it became apparent that the numbers That number was subsequently detasked, all traffic obtained from the tasking was destroyed, and reports containing information obtained during the tasking were cancelled. (b)(3)-P.L. 86-36 e<del>. (TS//SI)</del> issued reports which were later found to be based on communications of a valid

(b)(1) (b)(3)-P.L. 86-36 (b)(3)-18 USC 798 (b)(3)-50 USC 3024(i)

(b) (1) (b)(3)-P.L. 86-36 TOP SECRET//COMINT//ORCON//NOFORN//XI

(b) (3)-50 USC 3024(i)

#### TOP SECRET//COMINT//ORCON/NOFORN//X1

	foreign intelligence target with a U.S. The $^{(b)}_{(b)}$ $^{(1)}_{(b)}$ reports were cancelled and the collection was destroyed.
(b) (3)-P.L. 86-36 (b) (3)-50 usc 3024 (1)	f. (TS//SI) Without seeking the requisite waiver from the DIRNSA, the disseminated to information about a U.S. person obtained by inadvertently intercepting his communications, and
(b) (1) (b) (3)-P.L. 86-36	In the wake of the incident, the  NSA OGC provided corrective guidance to through 3)-P.L. 86-36  Headquarters.  (b) (3)-18 USC 798 (b) (3)-50 USC 3024(i)  g. (TS//SI)  a SID analyst conducted database searches
	The U.S. persons were directly involved with
	and also participated in various  The U.S. persons' names were originally identified while searching
	No reports were issued on the resulting material, the retrieval was deleted, and the analyst who performed the searches was counseled and given additional I/O training.
	h <del>. (S//SI/NF)</del> This quarter, unintentional retrievals using the raw traffic files resulted in incidents against U.S. persons. All incidents were
	reported to responsible oversight officials and corrective actions were taken. All unauthorized traffic collected has been destroyed.
b. (U//	FOUO) Dissemination of U.S. Identities (b) (1) (b) (3) -P.L. 86-36
	(1) (U) Intentional
-	(S//SI) In accordance with section 7 of USSID 18, U.S. identities were disseminated

### TOP SECRET//COMINT//ORCON//NOFORN//X1

JUSTIFICATION	Unmasked By Analyst	Unmasked at User Request 3	TOTAL
7.2.c Necessary	The part of Median Difference	The second secon	
7.2.c.1 Foreign Official	1		
7.2.c.3 International Narcotics	1		
7.2.c.4 Criminal Activity	1		4
7.2.c.7 U.S. Government Official	1		
TOTAL		,	
(2) (U) Unintentional			(1) (3)-P.L. 86-36
(S//SI) During this quarter, SIG they contained the identities of U.S Those products that contained info communications of U.S. persons we	S. persons, org ermation derive	anizations, or enti ed from	
(3) (U) Raw Traffic Dissemination Production Chain	on Outside th	e SIGINT	
	he I/O officer a		
determined that website, which is available to both SIGINT production chain and thos SIGINT traffic. The raw SIGINT of	those personn e who are not,	contained raw	
o. <del>(S//SI)</del>			
personnel are trained by the OGC		SID ensures that	
proper handling and dissemination	of SIGINT da	ta	
	-	SID during the fi	rst (b)(3)-P.L. 86-
quarter of fiscal year 2004 include	representative	s of the	

#### TOP SECRET//COMINT//ORCON//NOFORN//X1

·	•		
electronically with the		(b)(3)-P.L.	86-36
	12-2-12-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	•	

## 4. (U) OTHER ACTIVITIES

## (U) Assistance to Law Enforcement

	SID approved requests for technical
assistance from law enforcement, includ	ding requests from (b) (1)
	(3)-P.L. 86-3
Assistance included	
	•

### (U) Working Aids

(U//FOUO) The SID maintains "U.S. Identities in SIGINT" and a matrix of blanket reporting waivers on its web page for use by all NSA/CSS analysts. The E.O., NSA/CSS Regulation 10-30, DoD Regulation 5240.1-R, and USSID 18 are also available on-line. Several offices in SID maintain files to be used to prevent targeting of U.S. persons.